black news digest

NEWS
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Week of June 3, 1974

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The Local Angle:

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The U.S. Department of Labor operates through 10 regional offices located in major cities across the country. If you want a local angle on a news or feature story provided through this service—or have a direct news inquiry—you may contact one of the offices listed below. This listing includes the names, addresses and telephone numbers of the Assistant Regional Directors for Information and the states in their regions:

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Week of June 3, 1974

BLACK FEDERAL OFFICERS CITED
FOR 'HEROISM' BY LABOR SECRETARY BRENNAN

WASHINGTON -- Three members of the Federal Protective Service (FPS) received the Secretary of Labor's Recognition Award for their role in saving the life of a Labor Department employee.

FPS privates Willie H. Logan, William J. Thomas and Marshall I. Brown -- all employed by the General Services Administration (GSA) -- were presented the award at a ceremony in the office of Secretary of Labor Peter J. Brennan.

Also present were Arthur F. Sampson, GSA administrator; Stanley S. Scott, special assistant to President Nixon, and Herbert Mathis, Jr., the Labor Department employee whose life was saved.

Secretary Brennan presented the three officers with plaques inscribed "For heroic efforts and outstanding courage displayed on March 29, 1974, which resulted in saving a human life."

The award recipients -- residents of Washington, D.C. -- were on guard duty at the U.S. Navy Yard, M Street, S.E., when a loading dock accident severed Mathis' leg.

Praising the men for "quick thinking and skillful first-aid in an emergency," Brennan said Thomas immediately called an ambulance.

He then joined Logan and Brown in assisting Mathis until the ambulance arrived. The men checked the victim's bleeding, helped to calm him, and prevented him from going into shock, Brennan said.

Mathis, who was carrying out a Labor Department assignment at the Navy Yard when the accident occurred, was hospitalized for seven weeks.

He is undergoing rehabilitation and is receiving Federal workmen's compensation.

# # #

Week of June 3, 1974

MINORITIES WILL BENEFIT FROM THREE MAJOR
BREAKTHROUGHS, ASSISTANT SECRETARY DELURY SAYS

SYRACUSE -- Three major breakthroughs in improving the lot of American workers, including minorities and women, have taken place during the past two months, a Labor Department official said.

In an address before the New York State Union Label and Service Trades Department, AFL-CIO, Bernard E. DeLury, assistant secretary of labor for employment standards, cited three recent achievements of the U.S. Department of Labor's Employment Standards Administration (ESA):

-- Amendments to the Fair Labor Standards Act (FLSA) that, for the first time since 1966, raised the minimum wage, and also extended coverage to 7.4 million additional workers.

-- The equal employment opportunity settlement signed by nine major steel companies, which agreed to expand job opportunities for minorities and women and to pay nearly $31 million in back pay to more than 40,000 black, Hispanic American and women employees. The job discrimination settlement was negotiated by the Labor Department, the Equal Employment Opportunity Commission and the Justice Department.

-- Settlement under the Age Discrimination in Employment, which provides $2 million in back pay to 160 workers and reinstatement rights for 120, with a division of Standard Oil of California.

DeLury described the enforcement functions of the Labor Department's ESA as the "cutting edge" in ensuring "a just wage for a just day's work."

He said 900 wage-hour compliance officers in 350 cities will have day-to-day responsibility for making the new legislation and the settlement decisions realities for the millions of affected working men and women.

# # #

Week of June 3, 1974

OSHA 'PART OF SOLUTION' TO SMALL BUSINESS
JOB SAFETY, ASSISTANT SECRETARY STENDER SAYS

WASHINGTON -- "The problem facing small business today isn't the Occupational Safety and Health Administration (OSHA). Rather, OSHA is part of the solution. The problem is job injuries and illness."

So said John H. Stender, Assistant Secretary of Labor at a conference in Washington, D.C.

Countering criticism that OSHA "poses a problem" for small business, Stender remarked:

"Oddly enough, the so-called shoe string operations with 50 or fewer employees tend to have lower injury rates than larger companies."

Medium-sized businesses engaged in manufacturing--those employing 100 to 249--are the most injury-prone, with an injury rate 30 percent higher than the overall rate for manufacturing and almost double the rate for large companies with 1,000 or more employees, Stender said.

Safeguarding the health and safety of employees appears to become a problem when a small business grows to a size whereby the operator no longer has the flexibility and informality of a smaller operation, he added.

"The medium-size businessman isn't large enough to justify a full-time safety professional and safety program like the big companies, so he's caught in the middle. And so, unfortunately, are many of his employees.

"But OSHA is part of the solution to his problem. OSHA can help tackle the problem of job injuries and illnesses; OSHA can help reduce work stoppages, lost time, workmen's compensation costs and other expenses that result from job injuries and illnesses," Stender said.

# # #

Week of June 3, 1974

3.8 MILLION YOUTHS TO ENTER
LABOR FORCE THIS SUMMER

WASHINGTON -- The summer increase in the number of youths in the labor force is estimated at about 3.8 million for 1974, about the same as in the past two years, the U.S. Department of Labor's Bureau of Labor Statistics announced.

Each summer the school age labor force, 16 to 24 years old, increases sharply as students enter the job market for summer work and as high school and college graduates, who were not in the labor force while attending school, take or look for regular jobs.

For July 1974, the labor force age 16-to 24 years s estimated at 24.4 million, about 500,000 greater than in July 1973.

Students entering the labor force for summer work will total about 2.3 million or 60 percent of the total expected increase from April to July. The rest, 1.5 million, will be high school and college graduates entering the work force on a permanent basis.

Excluded from the latter estimate of graduates are 685,000 students who were already in the work force in April (most of them employed part-time) and who will be shifting to permanent labor market participation by July after they complete school.

# # #

Week of June 3, 1974

BRENNAN SEES EXTENSION OF AGE JOB DISCRIMINATION LAW
TO GOVERNMENT WORKERS AS 'CHARTER OF OPPORTUNITY'

ATLANTA -- A "charter of opportunity" has been given to workers 40 to 65 years of age with extension of the Age Discrimination in Employment Act of 1967 to federal, state and local governments, Secretary of Labor Peter J. Brennan said.

"And the ability of government agencies at all levels to cope with the increasingly complex challenges facing them will be enhanced because they will be forced to end arbitrary discrimination against older workers with ability and experience," the Labor Secretary said.

Brennan, who praised "the growing quality of people seeking careers in public service," addressed the second annual Federal Employee of the Year awards luncheon of the Atlanta Federal Executive Board.

Awards were presented to outstanding federal employees in the Atlanta area for notable service to the public.

Brennan pointed out that amendments to the Fair Labor Standards Act signed by President Nixon April 8 extended the age discrimination law to an estimated 13.8 million federal, state and local government jobs.

The age discrimination law covers hiring, pay and other conditions of employment for persons between 40 and 65. It bans age discrimination in help wanted ads and referrals and covers unions and employment agencies as well as employers.

"Coverage of government workers by this important legislation," Brennan said, "is an important step forward in our efforts to substitute ability for arbitrary and discriminatory selections in hiring and promotions."

Brennan said studies by the U.S. Labor Department and other organizations have shown that the output of older workers compares favorably with that of those who are younger, that their attendance is likely to be better, and that they are less likely to change jobs.

He added:

(More)

"Many American workers have found that their career ladders have stopped at the 40th rung and that the doors to the Nation's workplaces get narrower with each birthday.

"We intend to open up those doors by vigorous enforcement of the Age Discrimination in Employment Act."

Brennan said earlier this month the Labor Department obtained the largest settlement since the Act went into effect in 1968.

Western Operations, Inc., a division of Standard Oil Company of California, will pay about $2 million to some 160 employees discharged because of their age, and 120 will be reinstated.

# # #

Week of June 3, 1974

TWO CONSUMER PRICE INDEXES
PLANNED BY U.S. LABOR DEPARTMENT

WASHINGTON -- Beginning in April 1977, two consumer price indexes will be issued by the U.S. Department of Labor's Bureau of Labor Statistics.

--The present Consumer Price Index for Urban Wage Earners and Clerical Workers will be updated and continued.

--A broader Consumer Price Index for Urban Households will be published.

Both indexes will be as good as or better than the present index and will incorporate improvements being developed by BLS as part of its CPI revision program.

The CPI for Wage Earners and Clerical Workers now covers about 45 percent of the total population and is widely used for the escalation of wages under collective bargaining agreements.

The new CPI for Urban Households will cover about 80 percent of the population and will provide a comprehensive measure of consumer price trends for the entire economy.

Julius Shiskin, commissioner of labor statistics, explained that the plan for producing two indexes was developed "because the BLS is now convinced that a single index cannot fully meet the diverse needs of users in business, labor and government."

Spokesmen for organized labor have stressed that continuation of the CPI for Urban Wage Earners and Clerical Workers is necessary for collective bargaining, noting that escalator agreements now cover more than 5 million union workers.

(MORE)

Trade union officers explained that the availability of this index for collective bargaining promotes industrial peace and that failure to continue the index would cause confusion and disrupt collective bargaining.

Commissioner Shiskin stated that he agreed with these views of organized labor and added that "the need for the broader index is also compelling because it will provide a more comprehensive and representative measure of month-to-month price movements in the economy.

In a recent testimony before a Senate subcommittee, Shiskin pointed out that:

-- Some 44 million persons, including Social Security beneficiaries and retired Federal workers, are covered by escalation agreements, in addition to those covered under union agreements.

-- The Department of Agriculture escalates school lunch payments for some 24 million school children in accord with changes in the CPI, and

-- The official government poverty threshold is also escalated by the CPI.

"The expanding use of escalation agreements points to the need for an index covering more than urban wage earners and clerical workers," Shiskin said.

Production of two indexes rather than one will increase the cost of the Consumer Price Index program, and additional appropriations for this purpose will be sought from Congress, Shiskin added.

BLS traditionally revises its Consumer Price Index about every 10 years in order to take account of changes in consumer buying habits. The revised indexes will include:

(MORE)

-- A new market basket based on a survey of consumer expenditures for commodities and services;

-- New weights reflecting the proportions of expenditures for food, fuel, medical services, and other products people buy; and

-- A new sample of stores where people buy, reflecting shifts in retail purchases, such as from central cities to suburbs and from retail stores to mail order houses.

# # #

Week of June 3, 1974

THE CONSUMER PRICE INDEX--APRIL 1974

WASHINGTON -- The Consumer Price Index rose 0.6 percent in April to 144.0 (1967=100), the Bureau of Labor Statistics of the U.S. Department of Labor reported.

The rise was due to higher prices for many consumer goods and services, notably used cars, apparel commodities, energy items and restaurant meals.

The effect of these increases, however, was partially offset by lower prices for some grocery store foods, particularly meats. The April CPI was 10.2 percent higher than a year ago.

On a seasonally adjusted basis, the CPI rose 0.6 percent in April, about half as much as in each of the preceding 3 months. The food index--which includes food at home and away from home--declined 0.4 percent, the first decrease since September of last year.

The index for nonfood commodities rose 1.1 percent on a seasonally adjusted basis in April--the fourth consecutive month of rapid rise in this index. The services index increased 0.6 percent, slightly less than the monthly increase in the first 3 months of this year.

The index for food purchased in grocery stores--usually unchanged in April--declined 0.7 percent. Beef prices fell sharply following a smaller decrease in March. Pork, poultry and egg prices continued to drop and fresh vegetable prices also declined in April.

These declines more than offset price rises for most other foods, including processed fruits and vegetables, dairy products, cereal and and bakery products, and sugar and sugar-based products.

The index for food away from home--restaurant meals and snacks--increased 1.2 percent in April, almost twice the monthly increases in the first quarter of this year.

The nonfood commodities index increased 1.3 percent, considerably more than is usual for April. Over a fourth of the rise in this index

(More)

resulted from sharply higher prices for used cars. The used car index had declined steadily from July of last year through March.

Prices of apparel commodities increased more than they usually do in April.

The index for gasoline and motor oil continued to rise but the monthly increase (1.7 percent) was the smallest since these prices began advancing rapidly in October of last year. The index for fuel oil and coal rose in April after declining slightly in March. The new car index increased, instead of declining as it usually does in April.

Prices also rose for a variety of other nonfood commodities such as furniture, appliances, housekeeping supplies, toilet goods, newspapers and alcoholic beverages.

The services index rose 0.6 percent in April. Residential rents increased 0.3 percent. Prices of other household services advanced 0.8 percent. Increases in charges for gas and electricity were somewhat smaller than earlier this year. Water and sewerage charges rose sharply. Charges for doemstic and laundering services increased more than in recent months.

The index for medical care services rose 0.6 percent in April, about half as much as in March because of less rapid increases in physicians' fees and most hospital services. Among transportation services, charges for auto repairs and auto insurance continued to increase but local transit fares declined.

Charges for other services such as drycleaning, barber and beauty shop, and recreational services also continued to increase.

* * *

Week of June 3, 1974

REAL EARNINGS IN APRIL 1974

WASHINGTON -- Real gross average weekly earnings decreased 0.9 percent from March to April, after allowance for the usual seasonal change, the U.S. Department of Labor's Bureau of Labor Statistics announced.

This decline was the result of a 0.6 percent increase in the Consumer Price Index and a 0.5 percent drop in average weekly hours which more than overcame a 0.2 percent rise in average hourly earnings. The decline in the workweek was at least partly attributable to the normal reduction of work schedules on the Friday and Saturday preceeding Easter.

The figures cover full-time and part-time workers in production and nonsupervisory jobs in the private nonfarm sector of the economy.

Over the year, real average weekly earnings were down 5.1 percent. A rise of 6.3 percent in average hourly earnings was more than offset by a 10.2 percent increase in consumer prices and a 1.6 percent decrease in average weekly hours.

Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $147.74 in April, compared with $141.33 a year earlier.

Real spendable earnings (real weekly pay after deduction of Social Security and federal income taxes) for a worker who was earning the average weekly pay and was taxed at rates applicable to a married worker with three dependents fell 0.8 percent from March, seasonally adjusted, because of the decline in hours and the increase in the Consumer Price Index.

Over the year, real spendable earnings were down 5.6 percent owing a 5.1 percent decline in real weekly earnings and a 0.6 percent increase in the effect of taxes. This was the largest percent decline over the year since the monthly real spendable earnings series began in 1964. The decrease in April marked the 13th consecutive month in which real spendable earnings were below their year earlier levels.

(More)

The Hourly Earnings Index in dollars of constant purchasing power was 107.3 in April, seasonally adjusted, 0.2 percent higher than in March. Compared with a year ago, the index is 2.8 percent lower. The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

# # #

Week of June 3, 1974

RETAIL GASOLINE PRICES - APRIL 1974

WASHINGTON -- Average prices of both regular and premium gasoline, collected as part of the Consumer Price Index, rose 1.7 percent from March to April, the U.S. Department of Labor's Bureau of Labor Statistics announced.

In April the U.S. average price for regular grade gasoline was 53.7 cents per gallon.

There were some price declines for the first time since the Bureau started to publish average gasoline prices for 23 metropolitan areas in October 1973.

The largest decline in regular grade gasoline was 1.0 percent in Cleveland, followed by 0.9 percent in Philadelphia. Smaller decreases occurred in Chicago and Honolulu. Prices of premium grade gasoline also decreased slightly in 4 areas--San Francisco-Oakland, Philadelphia, Honolulu and Chicago.

In the areas where prices rose, the largest price advances for both regular and premium grade gasoline, 5.9 and 5.4 percent respectively, occurred in the Houston area. In spite of the April increase the Houston area had the lowest average price for both grades of gasoline

# # #

Dear Consumer

World of Work

Manpower Program Aids Inmates and Ex-offenders

By PETER J. BRENNAN
Secretary of Labor

QUESTION: Does the Labor Department have any programs to aid ex-offenders with drug problems?

ANSWER: Yes. Recently, the Department's Manpower Administration earmarked $5 million for a series of programs for inmates and those released from correctional institutions. This effort includes pilot projects for ex-offenders who are in drug treatment programs. They will receive manpower services tailored to meet their special needs. For example, they will be given vocational training, referral and counseling services. We hope these services will aid ex-offenders who have been involved in drugs by helping them find an alternative lifestyle. For more information, contact the Manpower Administration, Department of Labor, Patrick Henry Building, Washington, D. C. 20213.

* * * *

QUESTION: I own a small company and am curious about inspections conducted by the Occupational Safety and Health Administration. Will a compliance officer give advance notice before an inspection, and if our safety equipment does not meet the OSHA standards, will time be made available to purchase approved equipment?

ANSWER: A compliance officer from OSHA – the Occupational Safety and Health Administration – will not give advance notice of his inspection tour except in the following situations: (a) in cases of imminent danger; (b) when the inspection can be conducted most effectively after regular business hours; (c) when necessary to assure the presence of representatives of employer or employees or the appropriate personnel needed to aid in the inspection; (d) when the OSHA area director determines advance notice would enhance the probability of an effective and thorough inspection. In practice, advance notice is given in less than 10 percent of OSHA inspections. Any citation issued for unsafe equipment will fix a reasonable time for abatement of the alleged violation.

* * * *

Editor's note: If you have a question regarding job training and placement, labor-management relations, job health and safety, equal employment opportunity, wages and hours, employment and unemployment, prices and earnings and other matters involving the U.S. Department of Labor, send it to:

Peter J. Brennan
Secretary of Labor
"World of Work"
U.S. Department of Labor
Washington, D.C. 20210

Dear Consumer

How Can Youth Get Credit?

By Virginia Knauer
Special Assistant to the President
and Director
Office of Consumer Affairs
Department of Health, Education and Welfare

You're 19, not long out of high school and you're now a full-time worker.

You're also a full-time consumer. You're spending and—I hope—saving your own money. Are you learning about borrowing it, too?

When consumers borrow, we say they are "using credit." For young consumers, credit is not easy to come by. Here's why:

When you borrow cash—or buy something and say, "Charge it"—you promise to pay later. The "paying later" is very important, of course, to the stores, banks and other lenders that give credit to consumers. They ask where you work, how much you earn, where you have savings accounts, charge accounts and credit cards. They are checking on two things: (1) whether you earn enough to pay later; and (2) your past record for repaying.

Naturally, as a new worker, you don't have much of an earning or a repaying record to report in your first credit application. This makes it difficult to prove your ability to pay later.

Here are suggestions from experts on how you can establish your credit in the beginning:

- Apply to local department stores for a charge account; this should be your first move.

Try to find a store that is looking for young customers. Talk with credit managers or credit interviewers at several stores, and ask for their advice. If you are offered a special account with limited credit, by all means, accept it. Use it only for small items until you know how well you can handle the monthly payments.

- Apply for a small loan.

Even if you do not need the money right now—even if you put it right in a savings account to draw interest—borrowing and repaying promptly will help you to build a good credit rating. If there is a credit union where you work, use it. (Credit union charges for borrowing are usually low; on the other hand, small-loan companies usually have high charges.) Another sensible place to apply is a local bank or savings and loan association where you or your family have accounts.

- Learn how to shop for credit and to use only as much credit as you can comfortably afford.

In a recent column on credit, I recommended this booklet: "Truth in Lending Takes the Wrap Off Credit." For a free copy, write to Federal Trade Commission, Legal and Public Records, Washington, D.C. 20590.

- Make all payments promptly.

Wherever you borrow—no matter how much or how little you borrow—paying promptly is the best way of maintaining a good credit rating.

Look to the future when you may be wanting to buy a home, the biggest purchase that most consumers make. When you apply for that mortgage on your first house, your good credit rating will really stand you in good stead.

Week of June 3, 1974

FILLERS FROM THE U.S. DEPARTMENT OF LABOR

There were 12,728 women enrolled in law studies in 1972, compared with 1,866 in 1962, an increase from 4 percent of enrollees in 1962 to 12 percent in 1972, according to Labor Department's Monthly Labor Review

* * *

Women earning degrees in engineering increased from 0.4 percent of the total, or 145, in 1960 to 1.1, or 493, in 1972, according to Labor Department's Monthly Labor Review.

* * *

In 1972, about 3 out of 5 black wives, but only half the white wives worked, according to an article in the Labor Department's Monthly Labor Review.

* * *

Women will be recruited for participation in the Labor Department's Apprenticeship Outreach program projects in Boston, New York City, Cleveland, Atlanta, Chicago and Los Angeles.

* * *

The Labor Department's Apprenticeship Outreach program provides up to 10 weeks of intensive coaching and tutoring to help minority youths participants pass apprenticeship entrance examinations.

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